



COUNCIL SUBCOMMITTEE ON ECONOMIC DEVELOPMENT

SUMMARIZED MINUTES

November 8, 2012

3:00 p.m.

City Hall, Kiva Conference Room
3939 N. Drinkwater Blvd, Scottsdale, AZ 85251

PRESENT: Mayor W.J. "Jim" Lane
Vice Mayor Dennis Robbins
Councilwoman Linda Milhaven

STAFF: Cindi Eberhardt
Paul Katsenes
Dave Meinhart
David Smith
Bob Tunis
Linda Walton
Kelly Ward
Dan Worth

GUESTS: Tim Bolinger, Greenbrier Southwest
Casey Bolinger, Greenbrier Southwest
Mike Medici, SmithGroup JJR
Steve Helm, Scottsdale Fashion Square
Dan Duffy, Waylon & WestWorld Circle Bar Entertainment

Call to Order/Roll Call

Mayor Lane called the regular meeting of the Council Subcommittee on Economic Development to order at 3:03 p.m. A formal roll call confirmed members present as stated above, noting the presence of a quorum.

1. Approval of October 17, 2012 Minutes

VICE MAYOR ROBBINS MOVED TO APPROVE THE MINUTES OF THE OCTOBER 17, 2012 MEETING OF THE COUNCIL SUBCOMMITTEE ON ECONOMIC DEVELOPMENT. COUNCILWOMAN MILHAVEN SECONDED. THE MOTION CARRIED UNANIMOUSLY BY A VOTE OF THREE (3) TO ZERO (0).

2. Greenbrier Southwest – Phase 1a Concept Design and Contextual Planning Study for WestWorld

Casey Bolinger stated that Greenbrier Southwest was charged with looking at WestWorld from a broader perspective and planning for growth over the next two decades. WestWorld is

envisioned as a city-owned and operated, integrated multi-venue facility that is managed to maximize economic benefits through bed and sales tax revenues. The property is important, because the area around it represents a large portion of the undeveloped land left in Scottsdale. The city can greatly increase revenue by holding events there throughout the year. A second purpose for the study was to set out a plan that would prevent short-term opportunities from blocking more promising long-term opportunities. The report also includes a set of implementation recommendations.

Tim Bolinger explained that the Bell Road Corridor is bracketed by the TPC Golf Course, and the Gateway area of the McDowell Sonoran Preserve; the potential home of the Desert Discovery Center. WestWorld is located between these two points. Greenbrier proposes combining state trust land and city-owned land into an organizing concept that would maximize the circulation and economic development opportunities in the area, linking the existing circulation pattern with a parkway that would create a new monument entry from Bell Road.

Mr. Bolinger said the land holdings north of WestWorld should be configured and optimized for parking and circulation. These city-controlled parking pools could be allocated for major events and are key to protecting the land use. The parkway concept enables a variety of high-impact uses such as sports venues, major corporate users, and major tourist attractions that could benefit from a large parking pool. The lots would also serve as low-intensity landscaped buffers to protect existing neighborhoods, and the parkway would pull major traffic impacts away from those sensitive areas. The east edge of WestWorld could be configured into a second gateway area, allowing the facility to hold two national caliber events simultaneously, each with separate circulation patterns.

Mr. Bolinger said the circulation proposal attempts to create critical mass around the marketing image that Scottsdale has established for itself. It could incorporate two museums related to signature events that have helped define Scottsdale's image: horses and horsepower. These museums could become platforms for year-round exhibits and stage areas for corporate events that other resort municipalities could not offer. Scottsdale has the wherewithal to make these proposals a reality. Barrett-Jackson has proposed a privately sponsored automotive museum connected to a new headquarters building. Nearby, a living museum could display the horses that opened up the West, and would be the only offering of its type west of Kentucky. With modifications to the Thompson Peak Parkway Bridge, a desert trail could connect WestWorld to the Gateway trailhead and equestrian trail system, making possible a variety of equestrian-related events that no other city could match.

Mike Medici, SmithGroup JJR, said the proposal is an attempt to lay a foundation to make bigger projects possible in the future. It connects several signature outdoor and indoor spaces that help define Scottsdale. Mr. Bolinger said the report identifies the creative organizing framework necessary to prepare the city's land holdings as a strategic set of development-ready parcels that could become assets for economic development.

The Subcommittee considered three options:

- 1.) Encourage staff to prepare for the City Council a proposed scope of work to prepare a Master Plan of the type described in the report, with input from appropriate City departments.
- 2.) Recommend that the City Council engage outside consultants to assist the City to prepare a Master Plan of the type described in the Report.
- 3.) Forward the report to the City Council.

Mayor Lane said it is important that Scottsdale take steps to protect surface parking in the area, even without additional development. The proposed circulation pattern is essential if the city hopes to fully utilize the area, which will play a major role in the tourism strategic plan.

Vice Mayor Dennis Robbins felt it appropriate that Scottsdale take a broader view of the entire area around WestWorld. Councilwoman Milhaven said the topic of physical assets did not come up at a recent tourism visioning session. Ms. Bolinger emphasized that the report does not suggest that the City of Scottsdale build most of the physical assets mentioned. Those instead should be left to private development. The city would primarily be responsible for infrastructure and parcel improvements.

COUNCILWOMAN MILHAVEN MOVED TO ENCOURAGE STAFF TO CREATE FOR CITY COUNCIL A PROPOSED SCOPE OF WORK TO PREPARE A MASTER PLAN OF THE TYPE DESCRIBED IN THE GREENBRIER REPORT, WITH INPUT FROM APPROPRIATE CITY DEPARTMENTS. VICE MAYOR ROBBINS SECONDED. THE MOTION CARRIED UNANIMOUSLY BY A VOTE OF THREE (3) TO ZERO (0).

3. Retail Sales Update

Steve Helm, Assistant Vice President of Scottsdale Fashion Square, reported that the shopping center has started a three-year program to update its holiday décor, which represents a \$750,000 investment. In the past year, the stores that were either entirely new to the mall or were renovated include Nordstrom, Macy's, Tommy Bahama, The Microsoft Store, Tesla Motors, Caketini, Rebecca Taylor, Brighton Collectibles, Sbarro, Panda Express, Sur La Table, The Walking Company, Madewell, Peek, Zumiez, Steve Madden, Bag'n Baggage, SolarX, and Prada.

Mr. Helm said vertical transportation to the upper levels has long been a challenge at Scottsdale Fashion Square. To address this, a new set of escalators was recently installed, and the rain curtain fountain was removed to make room for a new elevator. Black Friday will begin as early as midnight in some stores this year. Traffic overall through October was up 2%, a trend which mirrors sales. Jewelry sales are up 12%. Food is the only category that is down from last year. The recovery is happening steadily but slowly. He reported that Kate Birchler is now in charge of putting together tourism programs for Westcor shopping centers across the country.

4. Economic Development Report

Cindi Eberhardt, Economic Development Assistant Director, explained that Scottsdale is one of five cities chosen by American Express to celebrate Small Business Saturday on November 24. Linda Walton reported last year Scottsdale focused on the downtown area. This year, the initiative will expand to include the merchants associations at Hilton Village, and the Shops at Gainey Ranch. Displays at the five Scottsdale libraries will help get the word out. Major employers will be encouraged to give information to their employees. The city will also promote the initiative through its social media portals and Channel 11, and a YouTube video. Residents will be able to post information on their favorite merchants at the Scottsdale Small Business Saturday Facebook site.

Ms. Eberhardt said Economic Development and Aviation Departments, along with the Scottsdale Convention and Visitors Bureau recently participated in the National Business Aviation Association conference in Orlando. Bob Tunis reported that Scottsdale's booth was well designed and situated, and featured a collector car on loan from Barrett-Jackson that proved very popular. Over 300 specific leads were generated; the majority were aviation and tourism related. The Subcommittee watched an Airport/Airpark promotional video that played during the expo.

Ms. Eberhardt reported that the Trolley Hospitality Program has received commitments of \$61,500 for sponsorships as of October 31, exceeding the \$60,000 in private funding required to continue the program. Advertising space is still available. The route will be finalized this week and the trolley will run from December 28 through March 30.

Winners of SkySong's Furnace business acceleration program will be announced soon. On November 15, Techiepalooza 2.0 will bring entrepreneurs, engineers, coders, funders, and startups together. Last year's event attracted over 500 participants.

Ms. Eberhardt presented the proposed 2013 Economic Development Subcommittee calendar of meetings. Also, a summary of new business prospects and expansion of existing business was presented.

5. Open Call to the Public (A.R.S. §38-431.02)

None.

6. Future Agenda Items

None.

Adjournment

With no further business before the Subcommittee, the meeting adjourned at 4:44 p.m.

Respectfully submitted,
A/V Tronics, Inc. DBA AVTranz.